



**DEPARTMENT OF MENTAL HEALTH  
POLICY/PROCEDURE**

<b>SUBJECT</b> <b>STATEMENTS OF ECONOMIC INTERESTS</b>	<b>POLICY NO.</b> <b>608.06</b>	<b>EFFECTIVE DATE</b> <b>10/01/1989</b>	<b>PAGE</b> <b>1 of 8</b>
<b>APPROVED BY:</b> <b>Original signed by:</b> <b>ROBERTO QUIROZ</b>  Director	<b>SUPERSEDES</b>  <b>608.6</b> <b>10/01/1989</b>	<b>ORIGINAL ISSUE DATE</b> <b>03/11/1988</b>	<b>DISTRIBUTION LEVEL(S)</b> <b>1</b>

**PURPOSE**

- 1.1 To provide guidelines and policy to ensure that the Department of Mental Health (DMH) complies with County Conflict of Interest and Disclosure Codes.

**POLICY**

- 2.1 The Los Angeles County Board of Supervisors, in accordance with the Political Reform Act of 1974, requires that all County departments adopt Conflict of Interest and Disclosure Codes to help identify potential areas of conflict of interest for department officials. The Code identifies department positions in which officials may, in the course of carrying out their normal duties, make decisions that could potentially affect financial interests.
- 2.2 Employees in positions so designated by the Department's Conflict of Interest and Disclosure Codes are required to complete and submit a Statement of Economic Interests (SEI) Form (Form 730). These SEI's are public documents, open for inspection and reproduction by the public.
- 2.3 The extent to which a designated employee is required to disclose personal financial information is based on the disclosure categories of his/her position. These categories indicate types of economic interests (real estate, stock investments, etc.) each designated official is required to list. Disclosure categories are listed in Exhibit B of the Departmental Conflict of Interest and Disclosure Code.
- 2.4 Employees occupying designated positions must complete at least one of the following statements:
  - 2.4.1 Annual Statements are due by April 1 each year from employees who occupied a designated position in the previous year. These statements disclose economic interest held between January 1 and December 31.



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The only designated officials who do not have to file annual statements are:

- 2.4.1.1 Those who did not assume a designated office until after September 30 and filed an Assuming Office statement.
- 2.4.1.2 Those who left their designated position prior to the end of the calendar year and submitted a Leaving Office statement.
- 2.4.2 Assuming Office Statements are due within 30 days of assuming a designated position. The Statement lists economic interest held on the day the official assumes office.
- 2.4.3 Leaving Office Statements must be filed within 30 days of an employee leaving a designated position. This statement should disclose the economic interests held by the official on the day he/she leaves office.
- 2.5 To ensure that all required SEI forms are promptly and properly filed, the DMH Department Head has appointed the Personnel Officer as the filing official responsible for:
  - 2.5.1 Compiling and maintaining a master list of employees holding designated positions;
  - 2.5.2 Supplying the necessary forms and manuals to filers within the Department;
  - 2.5.3 Determining whether the proper statements have been filed;
  - 2.5.4 Promptly notifying filers in the event of improperly completed statements;
  - 2.5.5 Maintaining the SEI's filed with the Department;
  - 2.5.6 Acting as liaison with the Executive Officer of the Board of Supervisors;



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- 2.5.7 Carrying out enforcement responsibilities established under the Political Reform Act of 1974 as delegated by the Executive Officer of the Board of Supervisors.
- 2.6 To successfully accomplish these tasks, the filing official will utilize a system for identifying and tracking the Department's designated employees, keeping abreast of personnel changes in the designated positions, and collecting and maintaining the completed Statements in an orderly and timely fashion.

**PROCEDURE**

**3.1 IDENTIFYING AND TRACKING DESIGNATED EMPLOYEES**

**3.1.1 Identification**

- 3.1.1.1 The Executive Office of the Board of Supervisors sends a copy of the Code to the Department every year in February, when it notifies the Department of the upcoming Annual Statement of Economic Interests filing deadline. It is at the discretion of the Department to update this list.
- 3.1.1.2 The Code contains a list of designated positions for the Department and the Disclosure Categories for those positions. Upon receiving the Code, the filing official will compile a roster of employees occupying designated positions, noting any changes in personnel, vacancies that have been filled, or vacancies that may have occurred since the previous annual filing period.

**3.1.2 Tracking**

- 3.1.2.1 Personnel staff responsible for incoming processing will receive copies of the Designated Personnel Roster and the Department's list of designated positions. Any processing involving these positions will result in immediate notification of the filing official.



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3.1.2.2 When an employee is identified as filling a designated position, a TOP OF FILE notice will be attached to that employee’s personnel file. This will alert Personnel Bureau staff to the need to notify the filing official whenever there is a change in that employee’s status.

3.1.2.3 Designated positions will also be flagged on the Item Control with any changes in these positions triggering immediate notification to the filing official.

3.1.2.4 The Departmental Designated Personnel Roster will be updated throughout the year, whenever personnel changes affecting designated positions occur.

**3.2 DISTRIBUTION AND COLLECTION OF STATEMENTS OF ECONOMIC INTEREST**

**3.2.1 Annual Statements**

3.2.1.1 After determining which employees are required to submit SEI’s, the filing official will give each designated employee a blank SEI Form, an Instruction Manual, and a copy of the current Departmental Conflict of Interest and Disclosure Code. The date these materials are distributed is recorded on the Departmental Designated Personnel Roster.

3.2.1.2 Each packet (blank SEI, Instruction Manual, Conflict of Interest and Disclosure Code) includes a notice that clearly states the deadline for submission of the completed Statement.

3.2.1.3 The filing official logs the dates that completed SEI’s are received. When SEI’s are received, the filing official must follow these procedures:

- “Date stamp” the SEI to show receipt;



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- Review the SEI to ensure that the form is complete;
- Ensure that the SEI is correct on its face;
- Ensure that the SEI contains an original signature;
- File the SEI in a folder established for the particular year covered by the SEI.

3.2.1.4 If an SEI is submitted with obviously incorrect or incomplete information, or if information contained in the SEI requires clarification, the filing official must contact the filer to obtain the necessary information.

3.2.1.5 When an SEI has not been filed by the April 1 deadline, the filing official will send a reminder letter by certified mail. Dispatch of such letters is to be recorded on the Departmental Designated Personnel Roster.

### 3.2.2 Assuming Office Statements

3.2.2.1 The filing official will notify, in writing, any employee assuming a designated position at the earliest time to allow the employee adequate opportunity to complete the assuming office statement within the 30-day time limit.

3.2.2.2 When SEI's are received, the filing official must follow the procedures outlined above under Section 3.2.1, Annual Statements.

3.2.2.3 If the SEI is obviously incorrect or incomplete, or if information contained therein requires clarification, the filing official will contact the filer to obtain the necessary information.

3.2.2.4 If the SEI is not filed within the 30-day time limit, the filing official will send a reminder letter by certified mail. Dispatch of



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such letters is to be recorded on the Departmental Designated Personnel Roster.

**3.2.3 Leaving Office Statements**

3.2.3.1 The filing official must notify, in writing, each employee who leaves a designated position of that employee’s obligation to file a Leaving Office Statement within 30 days of leaving the designated position.

3.2.3.2 When SEI’s are received, the filing official must follow the procedures outlined under Section 3.2.1, Annual Statements.

3.2.3.3 If the SEI is incorrect, or if information contained in the SEI requires clarification, the filing official will contact the filer to obtain the necessary information.

3.2.3.4 If the SEI is not filed within the 30-day time limit, the filing official will send a reminder letter. Dispatch of such letters is to be recorded on the Departmental Designated Personnel Roster.

**3.3 PENALTIES**

3.3.1 If an employee fails to file his/her SEI within the time limits prescribed in Government Code Section 87202, the employee is subject to financial penalties as outlined in Government Code Section 91013. The penalties are set at the rate of \$10 per day after the deadline until the SEI is filed, up to a maximum of \$100. There is no provision in the law for an extension of the filing deadline.

3.3.2 Employees will be cautioned that failure to comply with the provisions of the Political Reform Act can result in disciplinary actions, including dismissal, consistent with applicable Civil Service Rules or other laws, regulations, and procedures, in addition to the financial penalties cited above.



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- 3.3.3 If an employee fails to file an annual, assuming, or leaving office statement after a reminder letter is sent, the filing official will send specific written notice of the penalties for failure to file.
- 3.3.4 If an employee still fails to file a statement after the deadline imposed in the specific written notice, the filing official will recommend to Departmental management that appropriate disciplinary measures be imposed on the employee.
- 3.3.5 If the employee still fails to file his/her SEI after all internal Departmental measures, including disciplinary measures, have been exhausted, the filing official will refer the employee to the Executive Officer of the Board of Supervisors for imposition of applicable fines and/or civil penalties.
- 3.3.6 When referring the employee to the Executive Officer, the filing official will include a written chronology of attempts to secure statements. This chronology must include copies of all correspondence with the employee and must reflect any oral contact with the employee.
- 3.3.7 The Executive Officer will notify the employee that the fine is immediately due and payable; and failure to file the SEI and pay the required fine may result in the case being referred to the District Attorney or County Counsel for further legal action.

**3.4 DEPARTMENT HEAD CERTIFICATION**

- 3.4.1 On April 2 or each year, the Department Head certifies to the Executive Officer of the Board of Supervisors that all employees holding designated positions have filed their annual SEI's by the April 1 deadline.
- 3.4.2 For those employees who have not filed their SEI's, the Department Head will list their names, employee numbers, designated positions, and work telephone numbers on the certification form that is submitted to the Executive Officer of the Board of Supervisors.



**LAC  
DMH**  
LOS ANGELES COUNTY  
DEPARTMENT OF  
MENTAL HEALTH

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- 3.4.3 The Department Head shall notify the Executive Officer of the Board of Supervisors, in writing, within 5 days of receipt of an outstanding SEI until such time as all employees have filed their SEI's or until any non-filers have been referred to the Executive Officer for imposition of fine or other penalties.

**AUTHORITY**

Government Code, Sections 87202, 87300, 91013 (Political Reform Act of 1974)